

**Goal: 200,000 new jobs**

According to statistics from Iowa Workforce Development, exactly 100,000 jobs have been added in Iowa from Jan. 2011 through November 2012. This brings the governor halfway to his goal of 200,000 jobs.

Iowa's unemployment rate has gone from 6.1% when Gov. Branstad took office, to 4.9% in November, the latest date which rankings were available. Iowa's unemployment rate is the fourth-lowest in the entire country.

Unemployment is below 5% for the first time since December of 2008.

Gov. Branstad redesigned the state economic development efforts with the creation of the new Iowa Economic Development Authority, the Iowa Innovation Council, and the Iowa Partnership for Economic Progress. This led to not one, but two of Iowa's largest capital investments in history, falling within just weeks of each other.

The governor, lieutenant governor and Iowa Economic Development Authority Director, Debi Durham, have worked hard to bring and support investments to Iowa. Orascom recently announced a \$1.4 billion investment of a fertilizer plant in Lee County, which was the state's largest capital project in history, at that time. Just a few weeks later, that record was exceeded by a \$1.7 billion investment by CF Industries in Woodbury County. In addition, Google announced an additional expansion in Council Bluffs which will bring their total investment in Iowa to over \$1 billion.

All totaled, since Gov. Branstad took office, there have been \$5.3 billion in capital investments for Iowa projects. According to the Iowa Economic Development Authority, those investments alone are anticipated to contribute more than 14,000 jobs to Iowa's economy.

The governor has launched an unprecedented engagement effort with business and world leaders, signified by the February, 2012, visit of Chinese Vice President Xi Jinping, who next year takes over as the new president of China. Thanks to Gov. Branstad's near-three decade relationship with China's leader, V.P. Xi made multiple stops in Iowa earlier this year, en route between Washington, D.C. and Los Angeles. As a result, a new trade agreement was signed that sold \$4.3 billion in Iowa soybeans directly to China. Additionally, the prized relationship was noticed by Chinese business and governmental leaders, which established important dialogues that will lead to further investments in Iowa.

The governor has led trade missions to Brazil and Chile (July 2012), Japan, South Korea and China (September 2011) and to China (May/June 2012.)

As a part of the National Lieutenant Governors Association, Lt. Gov. Reynolds has represented Iowa in Germany and China while exploring new trade opportunities.

In June 2011, Lt. Gov. Reynolds led a 41-member trade mission to China and South Korea. Less than a year later, in March of 2012, Lt. Gov. Reynolds traveled with the Iowa Soybean Association to China and Thailand, meeting again with V.P. Xi in the Great Hall of the People in Beijing. The lieutenant governor also traveled to Germany in July of 2012 as part of an energy trade mission.

As a direct result of the governor and lieutenant governor's trade trips, South Korean company CJ Bio America chose to locate their \$324 million project in Fort Dodge, bringing more than 170 high quality careers for Iowans.

In 2011/12, throughout their visits to all 99 counties, the governor and lieutenant governor found that employers are ready to hire, but Iowa's workers were not prepared with the necessary skillset to fill these jobs. As a result of these conversations with Iowans, the administration embarked on an ambitious effort called Skilled Iowa to bring new workforce skills to our unemployed, under-employed, and those simply seeking better long-term careers. The impetus for the Skilled Iowa initiative began with conversations the governor had with Bill Knapp, Jim Cownie and Iowa Workforce Development Director Teresa Wahlert on how to best bridge the skills gap so many employers have articulated as being an impediment to bringing even more high quality jobs to Iowa.

The Skilled Iowa initiative builds upon the STEM program to ensure workers in Iowa get the skills they need to fill the high-paying jobs of today and tomorrow. Skilled Iowa is helping bring new hope to Iowans needing new skills to transition to the 21<sup>st</sup> Century economy.

Already, 2,400 Iowa businesses have signed up as Skilled Iowa members and 18,000 Iowans have used Skilled Iowa resources to certify their skills with the National Career Readiness Certificate.

**Goal: 25 percent increase in Iowa household incomes**

Iowa's incomes grew at the second-fastest rate in the country, up nearly 7 percent, according to the latest available data (<http://blogs.desmoinesregister.com/dmr/index.php/2012/03/28/iowa-personal-income-is-no-2-in-2011-led-by-farm-price-gains>). Iowa was second only to North Dakota, which is experiencing an oil boom.

Increasing incomes by 7 percent in the first year gives Iowa a solid start to reach the goal of increasing incomes by 25 percent in five years.

### **Goal: Reduce the costs of government by 15 percent**

Based on the average expenditure level before the governor came into office, we have decreased the cost of government by 12% in the first two years.

The 15% number was based on state Auditor [David Vaudt's frank assessment](#) that Iowa had a structural deficit of 15%, or \$900 million.

State government was spending at a 15% higher rate than what it was collecting in tax dollars. This was done through the use of one-time revenues, and by raiding other funds to meet the spending level.

Gov. Branstad significantly reduced the use of one-time revenue sources to pay for on-going expenses and will make further progress in the budget he proposes in January; ended the practice of raiding funds to cover budget shortfalls and increased spending, implemented a two-year budget to eliminate budget surprises and to offer stability, and is constructing budgets based on a five-year projection to ensure there is not a looming budget cliff in the future based on unacknowledged projected spending increases.

Gov. Branstad oversaw the closure of two state agencies: The Rebuild Iowa Office and the Office of Energy Independence, by repurposing their duties and efforts within other existing agencies.

We have reduced the number of state employees by 850. (Source: Department of Management)

We have reduced overtime costs by 34%. (Source: Department of Management)

In 2011, understanding the need for road and bridge funding, Gov. Branstad tasked the Department of Transportation with finding cost savings and efficiencies prior to any consideration of an increase in the state's gas tax. As a result, DOT Director Paul Trombino identified \$50 million in annual savings opportunities. The result was more existing funds going toward Iowa's road and bridge projects.

Thanks to Gov. Branstad's leadership, Barron's Magazine ranked Iowa as the second-best managed state in the country, and Yahoo! ranked Iowa as the fifth-best managed state in the country.

Gov. Branstad continues to explore efficiencies within state government, most recently implementing a new health care plan that allows state employees to pay 20 percent toward their health care costs. Currently, 88 percent of state employees in Iowa pay nothing toward their health care.

### **Goal: Best schools in the nation**

Reforms were passed in the last session that started schools on a path to achieve this goal.

The governor signed into law new exit exam requirements for prospective teachers. This will better assure new teachers are prepared in both their subject areas and how to teach successfully.

We established an Iowa Reading Research Center. Our new early childhood literacy initiative will have lasting effects on the lives of thousands of Iowa children and significantly improve their chances of future academic and career success.

The governor and lieutenant governor hosted the [Iowa Education Summit](#) in July of 2011, bringing together educational experts and leaders from across the country and world. 1,600 attended the summit, including administrators, teachers and students from across the state. The governor and lieutenant governor have also held dozens of town hall events across Iowa that focused exclusively on educational reform.

In July 2011, we launched the extremely popular and successful Governor's Science, Technology, Engineering and Math, or STEM, Advisory Council. With a generous \$4.7 million appropriation from the 2012 Legislature, this initiative has enhanced learning opportunities by putting high-quality, scalable STEM programs in communities all

across the state. In fall 2012, Lt. Governor Reynolds announced that more than 800 schools and community organizations would be participating in the first round of scale-up programs. As a result, Iowans have awakened to the significant need for more science, technology, engineering and math education and how it can drive economic development. Lieutenant Governor Kim Reynolds co-chairs the council with University of Northern Iowa President Ben Allen.

In August 2012, the governor and Lt. governor hosted the Iowa Teacher and Principal Leadership Symposium to explore how to design instructional leadership teams for every school to raise student achievement. They want to better utilize the talents of Iowa's top teachers on such teams to strengthen instruction. Assuring great teaching in every classroom will be the centerpiece of the administration's 2013 education proposal.

The governor fully-funded the school aid formula, which eliminated the \$215 million shortfall left by the previous administration.

In November 2012, the Gov. Branstad hosted the [Governor's Bullying Prevention Summit](#), a sold-out forum that raised bullying awareness and highlighted school and community solutions. A video contest was held in conjunction with the event, which featured expert speakers and a #NoBullyIA social media component on Twitter.

#### **Covenant: Limit the reach of government**

Regulatory reform has been a priority of the Branstad-Reynolds administration. There is now a Jobs Impact Statement on every new proposed rule and regulation in order to maximize job growth and reduce any negative impact on small businesses in Iowa. Additionally, Gov. Branstad signed [Executive Order 80](#), calling for the formation of stakeholder groups. Stakeholder groups give Iowans an extra voice in the rulemaking process by allowing impacted citizens a chance to advise government and hold the bureaucracy accountable. Public participation in the formulation of administrative rules will help our state to reform burdensome rules and prevent overregulation or red tape, encouraging efficiency, economic growth and job creation. All rules are now cleared by the governor's office, so as to ensure Iowa's employers are not adversely affected.

The governor is taking a collaborative approach, working with Iowans as opposed to a "gotcha" mentality.

#### **Covenant: Make commitment to service**

On January 14, 2011, Gov. Branstad, in his inaugural address [said](#), "Let us all renew our commitment to get involved: help the homeless, feed the hungry, minister to the sick, pray for the wayward. To make each of our communities better by stepping up and stepping out. And to those who are most fortunate, we bear a special responsibility to extend the ladder of opportunity to those in need."

On September 10, 2012, Gov. Branstad launched the "[Volunteer Iowa: A Call to Service](#)" initiative, seeking to make Iowa the national leader in service and volunteerism.

Iowans, never ones to shy away from a challenge, have stepped up to the plate answering Branstad's call for increased service in their communities. A December 13, 2012 [report](#) from *Volunteering and Civic Life in America* (VCLA) showed more than 910,000 Iowans served more than 99 million total hours, which is valued at more than \$2.1 billion.

Iowans reporting volunteer involvement has grown from 37.9% in 2011 to 38.4% in 2012 and the average number of hours per resident served from 34.3 to 41.9 hours.

Of mid-sized cities across America, [five of the top twenty-five](#) cities are in Iowa. Iowa City (3<sup>rd</sup>), Des Moines (7<sup>th</sup>), Cedar Rapids (13<sup>th</sup>), Waterloo (18<sup>th</sup>) and Davenport (24<sup>th</sup>) all make the coveted list.

#### **Covenant: Ensure transparent government**

The governor and lieutenant governor held 748 public events in 2011 and 644 public events in 2012, for a total of 1,392 public events in less than two years. This equates to more than 13 public events per week and nearly 60 per month. The governor and lieutenant governor each visit every county, every year, to meet with Iowans at public events.

The governor reinstated the governor's weekly news conferences.

The governor livestreams the weekly news conferences online, allowing all Iowans to tune in each week.

The governor and lieutenant governor reinstated hosting and attending public budget hearings from each agency and department in state government.

The governor and lieutenant governor launched the “Skype Your School” initiative this year, which puts them in touch with teachers and students from all across Iowa on a regular basis.

The office of governor and lieutenant governor each actively use their web pages, Facebook and Twitter in sharing information with Iowans.

For years, the effort to establish a Public Information Board did not pass the Legislature. Gov. Branstad made this legislation a top priority, and signed it into law this year. Gov. Branstad appointed the board before the deadline in order for the board to begin meeting and ensure that the board is operational by its effective date of July 1, 2013. The governor’s office hosts these meetings each month, and ensures Iowans have open, transparent government at every level, including local governments. Information from the meetings is then made available [HERE](#).

Gov. Branstad is the first governor to have a transparency advisor. The governor named Bill Monroe to the voluntary position. Bill formerly was head of the Iowa Newspaper Association, and has been a long-time advocate of open and transparent government. Monroe meets monthly with the governor, lieutenant governor, and governor’s staff and advises on ways to make government even more open to the public.

[The governor started a transparency web site](#), which allows Iowans the opportunity to view our open records requests and the subsequent action taken on them.

The governor has made significant progress toward greater transparency through the state’s online efforts. Through [Executive Order 73](#), the governor formed the Web Standardization Committee to improve the state’s electronic access for Iowans, and making the state’s web presence more user-friendly. Through this committee, the state is also improving access to our citizens with disabilities by requiring and training agencies on deploying web sites and documents to meet federal Section 508 compliance.

#### **Covenant: Provide a world-class education**

See above under best schools goal.

#### **Covenant: Cut taxes to encourage job creation**

The governor fully funded the state’s share of the school finance formula, which resulted in over \$200 million in property tax relief for Iowa taxpayers. Under the governor’s leadership, a \$60 million funding shortfall in the Homestead property tax credit for homeowners was cut in half and the governor is committed to eliminating that gap altogether in the upcoming fiscal year.

The governor has offered numerous proposals to lower commercial property taxes, control the growth of residential property taxes, and proposed changes in Iowa’s tax code to assist supply chain businesses in Iowa. All of these proposals passed the House, but unfortunately stalled in the Senate.

Thanks to Gov. Branstad’s steadfast leadership on the Iowa budget, we are now in a position to reimburse Iowans with their own tax dollars.

#### **Additional Accomplishments:**

##### **Disaster Response and Recovery**

##### **Missouri River 2011 Flood**

Since taking office, Gov. Branstad and Lt. Gov. Reynolds have faced the challenges of a variety of natural disasters. Most notably, was the 2011 Missouri River Flooding incident that lasted from May through August. With extensive damage in Western Iowa, Governor Branstad aggressively appealed Iowa’s case for activating FEMA’s individual assistance program. After multiple appeals, Iowa received a Presidential Disaster Declaration for Federal Individual Assistance benefits for those severely impacted by the flood.

Once the waters receded, it was a race against time to comply with the federal government's requirement for reimbursement, which was a complete reconstruction of Interstate 680 prior to the 6-month deadline, which began at the flood's onset. As a result of the governor's direction, DOT Director Paul Trombino oversaw I-680's reconstruction completed in just 34 days. This unprecedented achievement led to the full federal reimbursement just a short time thereafter.

In addition, to further help with the recovery, Gov. Branstad created the Missouri River Recovery Coordination Task Force, chaired by Brig. Gen. J. Derek Hill. This task force of temporary state agency representatives was tasked with coordinating with local, state and federal partners to assist with all recovery items.

### **Drought of 2012**

While 2011 brought flooding, 2012 brought a severe drought to Iowans. In February of 2012, Gov. Branstad created the Drought Workgroup, comprised by staff from various state agencies, to monitor the drought conditions. With ongoing drought concerns, the Drought Workgroup still meets and provides summary updates.

In July of 2012, Gov. Branstad and Lt. Gov. Reynolds hosted a drought hearing in Mt. Pleasant to hear directly from Iowans impacted by the drought. As a result of this hearing, Gov. Branstad temporally waived various state rules and regulations in order to ease the burden of the drought on those impacted. The governor's office also created a drought specific website with updates and resources for affected Iowans. And, through collaboration with a variety of state agencies, Iowa farmers were also allowed to mow roadside ditches or utilize state-owned land for hay to feed their animals.

Lastly, the governor's office, along with various state agencies, hosted weekly conference calls with interested agricultural stakeholders during the summer and early fall. Increasing coordination with private and public stakeholders proved to be successful in identifying solutions during the drought.

### **2008 Recovery**

The governor has been very engaged in long-term recovery efforts from the 2008 flooding, including direct engagement with U.S. Department of Homeland Security and Federal Emergency Management Agency leaders and the Iowa congressional delegation. The state's active engagement recently paid off in a final decision to replace the University of Iowa's Hancher Voxman Clapp and Art Building East facilities, which is in the best interest of taxpayers and will help the University move closer to full recovery.

### **Healthiest State Initiative**

On August 10, 2011, Gov. Branstad and Lt. Gov. Reynolds [announced](#) their effort to make Iowa the healthiest state in the nation. The "Healthiest State Initiative" is a community and business-led, government-endorsed statewide effort engaging citizens to improve their overall health and well-being.

Addressing comprehensive lifestyle changes could allow the State to redirect as much as \$16 billion<sup>[1]</sup> over the next five years to grow the state economy [versus being consumed by health care (\$11 billion) and lost productivity (\$5 billion)]. The success of this initiative is critical to the economic viability of the State and translates to a healthier Iowa and better quality of life for all its residents.

The Branstad-Reynolds administration has held two "Start Somewhere" walks to encourage Iowans to take the first step toward a healthier lifestyle. The one kilometer (.62 miles, or about 7-8 blocks) walk has seen increased participation over the past two years, from [291,000 in 2011](#) to [297,000 in 2012](#).

Iowans are taking the Healthiest State Initiative's goals seriously, using the record-setting "Start Somewhere Walks" as a kick-start to achieving their [fitness goals](#). Others have integrated the Healthiest State Initiative in their workplace, [class projects](#), and [community events](#). The groundswell of support for the initiative can be seen in growing participation in Live Healthy wellness programs (64,000 Iowans in 2012 up from 38,000 in 2011).

On September 14, 2011, Gov. Branstad and Lt. Gov. Reynolds [announced](#) the launch of the Blue Zones Project™ a centerpiece of the Iowa Healthiest State Initiative to improve the well-being of all Iowans through tools and programs for employers, leaders and residents statewide. The Blue Zones Project is based upon findings from an eight-year worldwide longevity study to identify common elements of the world's longest-lived cultures. Blue Zones Founder and National Geographic Fellow Dan Buettner is the author of the *New York Times* bestselling book titled "*The Blue Zones – Lessons For Living Longer, from the People Who've Lived the Longest*".

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[1]<sup>[1]</sup> Wellness App, World Economic Forum Website; [wellness.weforum.org](http://wellness.weforum.org), 03-02-2011

The first 4 of 10 communities (10,000 citizens or more) named as demonstration sites for the Blue Zones Project™ were Mason City, Cedar Falls, Spencer and Waterloo. Regardless of size, all communities selected will share their experiences with others who are adopting Blue Zones™ principles so the entire state can benefit from best practices and experiences.

As a result of Branstad and Reynolds' commitment to healthy decisions, Iowa's [ranking](#) in the Gallup Healthways Well-Being Index went from 19 to 16 since the initiative began.